

February 6, 1975

CLERK: I move to place LB 105 on General File notwithstanding the action of the Banking Committee. Signed Senator Savage.

PRESIDENT: The chair recognizes Senator Savage.

SENATOR SAVAGE: Mr. President and members of the Legislature, this bill, 105, provides for the public sale of general obligation bonds issued by political subdivisions of this state. Most of the arguments against the bill in Committee were based on the question of, don't you trust us? My answer is, yes, I trust them implicitly as long as they transact their business out in the open. As long as human frailties exist, it is the best protection against the temptation, against temptation from rearing its ugly head. It would have kept Governor Hall of Oklahoma out of the penitentiary if they'd have had that provision down there. Another point arose, are we suppose to protect the rights of fiscal agents and the company they represent or are we suppose to protect the public. I believe in the free enterprise system and competitive dealings on the open market in opposition to negotiated and possible inside deals. The Committee report indicates just what I am speaking about. It says, there were many witnesses, both for and against the proposal. The principal question seemed to be whether this bill served the taxpayer or the agents of the financing companies. The bill was killed by a unanimous vote of the Committee. Let's not put ourselves in a position of protecting special interests. Let's put this issue out on General File and let the public know what we are trying to do and see its reaction. I do trust the public and the taxpayer who has to pay the bill. Let's let the people respond and then, if they are satisfied with this present operation, I will be happy to kill the bill. So far, we have only heard from one side organized by a letter writing campaign which with only a few exceptions, the letters were composed by one person. Thank you very much.

PRESIDENT: The clerk advises me that the--

SENATOR SAVAGE: How can we criticize the Governor on the Jado activities when we take a dim view in dealing with millions of dollars of public tax money?

PRESIDENT: The clerk has advised me that the Committee's report is on file at his desk so that the motion is in order. Senator Murphy.

SENATOR MURPHY: I would have liked to have interrupted. The Committee report has just been given to the clerk and is not in your books. In it, there are a list of all those who testified. I think it is about two or three pages so that you might see who appeared in opposition to and in favor of this bill. Very honestly, I think it might be well if you waited until you had that before you.

PRESIDENT: Senator Richard Lewis.

SENATOR RICHARD LEWIS: Mr. President and members of the Legislature, I certainly would like to endorse Senator Savage's move. I have a real strong feeling about some of the public power bonds and it has come out in testimony recently that in the next five years there will be a billion dollars worth of public power bonds sold in the state of Nebraska. Now this is very lucrative business for certain finders fees, banks who get an override. I can see nothing